

HOUSE BILL No. 1335

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-5-30.

Synopsis: High cost case management. Requires the commissioner of the department of insurance to apply for federal authorization of, and to implement, a high cost management program for individuals who incur more than \$1,500,000 in claim costs under a health plan.

Effective: July 1, 2014.

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January 15, 2014, read first time and referred to Committee on Insurance.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 27-8-5-30 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2014]: **Sec. 30. (a) The definitions in IC 27-19-2 apply throughout**
4 **this section.**
5 **(b) The commissioner shall apply to the federal Department of**
6 **Health and Human Services for authorization to implement a high**
7 **cost management program through which:**
8 **(1) a health plan offered to a person in Indiana contains a**
9 **provision by which an individual who:**
10 **(A) is entitled to coverage under the health plan; and**
11 **(B) incurs more than one million five hundred thousand**
12 **dollars (\$1,500,000) in lifetime claim costs due to a chronic**
13 **disease or an injury;**
14 **must participate in a high cost management program**
15 **implemented under subdivision (2) as a condition of coverage**
16 **(including coverage for essential health benefits) under the**



1 health plan;
2 (2) the department, in consultation with appropriate state
3 agencies, implements high cost management programs that:
4 (A) are approved by the department based on a review of
5 chronic disease, injury, and pharmaceutical management
6 programs used in populations similar to the individual;
7 (B) are determined to be expected to best improve health
8 outcomes in a cost effective manner; and
9 (C) include the use of recognized experts in the treatment
10 of the applicable chronic disease or injury; and
11 (3) state funding, in an amount not to exceed ten percent
12 (10%) of the individual's claim costs described in subdivision
13 (1), is applied to coverage of claim costs incurred by the
14 individual that are paid by the health plan toward treatment
15 that is provided through the high cost management program
16 in which the individual participates.

